



## Senate

General Assembly

**File No. 2**

February Session, 2006

Senate Resolution No. 6

*Senate, February 27, 2006*

The Senate Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the resolution ought to be adopted.

**RESOLUTION PROPOSING APPROVAL OF A WAGE REOPENER AGREEMENT BETWEEN THE BOARD OF TRUSTEES FOR THE CONNECTICUT STATE UNIVERSITY SYSTEM AND THE AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS (AAUP).**

Resolved by the Senate:

- 1 That the wage reopener agreement between the Board of Trustees
- 2 for the Connecticut State University System and the American
- 3 Association of University Professors (AAUP), signed by the parties
- 4 October 25, 2005, and submitted to this assembly February 8, 2006, for
- 5 approval, as provided in subsection (b) of section 5-278 of the general
- 6 statutes, is approved.

**APP** Senate Favorable

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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### ***OFA Fiscal Note***

#### ***State Impact:***

Agency Affected	Fund-Effect	FY 07 \$	FY 07 \$ Annualized
Connecticut State University	All Funds - Cost	4,191,044	5,143,614
Connecticut State University	GF - Cost	2,915,069	3,577,628

Note: All Funds=All Funds; GF=General Fund

***Municipal Impact:*** None

#### ***Explanation***

This wage reopener agreement for the Connecticut State University Faculty (AAUP) bargaining unit is submitted for approval. Costs shown above are for the 1,322 full-time All Funds employees covered by the contract, including approximately 1,110 employees funded by the General Fund. Details of the costs are attached.

This agreement amends the existing collective bargaining agreement, which is effective through August 24, 2007. This reopener provides wage increases that are generally in line with increases for other collective bargaining agreements and arbitration awards for the same time period. The governor's FY 07 recommended midterm budget adjustments include funding in the Reserve for Salary Adjustments account to cover the cost of this agreement.

## Cost Estimate of Agreement

### All Funds

Connecticut State University Faculty (AAUP) Bargaining Unit

Agency Affected: Connecticut State University

Period of Reopener: 2006-2007 Academic Year (Contract period is August 23, 2002 through August 24, 2007)

Number of Full-Time Employees Affected by Reopener:

1,110 General Fund  
212 Other Funds  
**1,322 All Funds**

### Average Full-Time Salary Data:

#### Percent Increase (Cash Basis)

		Salary	Total	General Wage Increase	Other
Prior to Reopener	\$	71,584			
FY 07		74,477	4.04%	3.93%	0.11%

#### Percent Increase (Annualized Basis)

		Salary	Total	General Wage Increase	Other
Prior to Reopener	\$	71,584			
FY 07		75,139	4.97%	4.86%	0.11%

**Cost Summary Data (Estimated):**

	Prior to Contract	End of Contract (Annualized)	Percent Increase (One Year)
Salaries [1]	\$ 94,633,946	\$ 99,343,345	4.98%
Fringe Benefits [2]			
Value of Current Items	\$ 28,695,644	\$ 29,454,328	
Negotiated Improvements	-	73,946	
Total Fringe Benefits	\$ 28,695,644	\$ 29,528,274	2.90%
<b>Total Salaries and Benefits</b>	<b>\$ 123,329,590</b>	<b>\$ 128,871,619</b>	<b>4.49%</b>

[1] Salaries include base payroll, longevity payments, department chair compensation, retraining, curriculum-related activities, market pay adjustments, and minority mentoring funds.

[2] Fringe Benefits include Social Security, normal cost of pension contributions, health insurance, life insurance, travel, faculty development and related activities, and research grants.

## Detail of Cost Estimate

### All Funds

Reopener Items	FY 07	
	FY 07[1]	Annualized[1]
<b>FY 07 Reopener</b>		
5% General Wage Increase Effective 8/18/06 (21 pay periods)	\$ 3,716,487	\$ 4,601,364
Longevity Increase (4%)	70,352	70,352
Department Chair Stipend Increase (4%)	18,841	18,841
Market Pay Adjustment (5%)	4,335	4,335
Minority Recruitment and Retention Funds Increase (5%)	2,168	2,168
The following items will be increased 5%		
Travel	33,824	33,824
Faculty Development	8,111	8,111
Research Grants	32,012	32,012
Curriculum-Related Activities	10,354	10,354
Retraining Funds	1,985	1,985
<b>Total FY 07 Reopener Items</b>	<b>\$ 3,898,468</b>	<b>\$ 4,783,345</b>
Social Security	292,576	360,269
<b>Total Cost of Contract - All Funds</b>	<b>\$ 4,191,044</b>	<b>\$ 5,143,614</b>
 <b>Estimated General Fund Cost</b>	 <b>\$ 2,915,069</b>	 <b>\$ 3,577,628</b>

[1] This cost analysis is based on annual costs equaling the payment of 26 payrolls. If the 2005-2007 state budget had been based on a GAAP (Generally Accepted Accounting Principles) basis, it would have basically added one-tenth of a payroll to the annual costs.

Note: There is also an anticipated increased cost of \$1,108,269 for part-time faculty, summer and intersessions in FY 07. The wages for these employees are normally outside the General Fund. Therefore any cost impact to the General Fund for these employees would be negligible.